

**R E M A R K S**

- Claims **1-42 and 53 - 56** are pending in the present application.
- Claims **1, 12, 26, 31, 34, 38-42 and 53** are independent.
- Claims **6 - 11, 36 and 37** (each of which are dependent) have been cancelled herein, without prejudice or disclaimer and for purposes unrelated to patentability.

**1. Request for Continuing Examination (RCE)**

This response is being filed after the issuance of a Final Office Action. Accordingly, Applicants have filed herewith an RCE and fee, in accordance with 37 C.F.R. 1.114(a).

**2. Telephone Interview**

Applicants thank Examiner for extending the courtesy of a telephone interview on November 24, 2003. Discussed during the interview was claim 1 in view of U.S. Patent No. 5,794,207 to Walker et al. ("Walker" herein). Although no agreement was reached regarding the patentability of claim 1 in view of Walker, Applicants appreciate the opportunity to discuss the claim and prior art with Examiner. The amendments made herein are believed to be in conformance with the agreement reached regarding the patentability of a particular embodiment of the present invention (pending a further search by Examiner). Applicants invite Examiner to call Applicants' representative at the number provided below if Examiner has any further concerns about the pending claims after this amendment.

**3. Claim Rejections – Section 101**

Claims **1 - 27, 29, 31 - 37 and 53 - 56** stand rejected under 35 U.S.C. §101 as being directed to non-statutory subject matter because the steps of these claims "do not recite sufficient computer structure that is within 'technological arts'." (Current Office Action, page 2). Although Applicants maintain the position that this rejection is improper because it is not based on any statutory, regulatory or case law requirement, Applicants have amended independent claims **1, 12, 26, 31, and 53** to now recite a "processor" and have amended independent claim **34** to now recite "a computing device". Applicants have so amended the claims solely to expedite prosecution and expressly reserve the right to pursue the claims as pending before this amendment in this and / or a continuing application. Applicants respectfully request that this rejection be withdrawn.

**4. Claim Rejections – Section 102**

Claims **1 - 3, 5, 12, 13, 15 - 19, 24 - 27, 31 - 42 and 53 - 56** stand rejected under 35 U.S.C. §102(b) as being anticipated by Walker. Applicants respectfully traverse this rejection for the reasons set forth below.

First, Applicants maintain the position that Walker does not teach the embodiments as claimed before the amendments made herein. In Walker, when a seller accepts a CPO from a buyer or when a buyer accepts a counter-offer CPO from a seller, all of the transaction terms are finalized. For example, it is known how much the buyer is to pay for the product and the characteristics of the product are known. The product is not conveyed to the buyer until the CPO is accepted. Thus, at the time the product is conveyed to the buyer, all of the terms of the transaction are finalized. As illustrated in Fig. 12 of Walker (and described in the description thereof), the transaction itself may not be finalized in the sense that a buyer may have an opportunity, after receiving the product, to inspect the product to ensure that the received product satisfies the terms of the transaction as set out in the accepted CPO. However, inspecting a product to ensure that the seller is not in breach of any of the transaction terms defined by the CPO does not mean that the transaction terms are not finalized. To the contrary, a buyer could not possibly inspect a product to ensure that a seller is not in breach of transaction terms that were finalized if the transaction terms were not in fact finalized. This is because a seller could not be in breach of a term that has not yet been finalized. Accordingly, the inspection process described with respect to Fig. 12 of Walker does not anticipate the embodiments of the claims before the amendments made herein.

Applicants have nevertheless amended each of the pending independent claims (i.e., claims 1, 12, 26, 31, 34, 38, 39, 40, 41, 42, and 53) to claim particular embodiments of the present invention, solely to expedite prosecution. Each of the independent claims now recites the following general features:

- that the customer takes possession of the product subject to an agreement, the agreement defining a period of time and a default price;
- that the customer takes possession of the product at the beginning of the period of time;
- that the customer is not charged or does not provide payment for the product until the end of the period of time,
  - the payment being either for the default price defined by the agreement or an override price that is received before the end of the period of time

The above set of features are not taught by either Walker or any other prior art of record. Walker, for example, only describes charging the customer for the product being conveyed at one of two times: when a CPO is accepted and / or when the product is conveyed to a customer.

“Yet another object of the present invention is to allow the seller to be able to collect funds immediately upon his acceptance of the buyer’s terms as set forth in the purchase offer” (Col. 7, lines 39 – 42)

“It is another object of the present invention to allow the seller to receive part of his payment upon agreeing to the buyer’s purchase offer, and a subsequent payment upon deliver of the goods or services called for in the buyer’s purchase offer.” (Col. 7, lines 46 – 50)

In addition to not disclosing an agreement where a customer takes possession of a product at the beginning of a period of time and does not provide payment for the product until the end of the period of time, Walker also does not disclose that the payment so provided at the end of a period of time is either a default price or an override price that is received before the end of the period of time, as claimed. As discussed above, in Walker a customer may object to a product after receiving it as not conforming to the transaction terms set out in the accepted CPO. However, the result of such objection is a refund of the price the customer was charged for the product (see, for example, col. 21, lines 19 – 22, “money flowing from seller to buyer in the case of deposit returns or refunds when the buyer does not find the received goods acceptable.”). There is no disclosure in Walker that, after a product is conveyed to a buyer (or even after a CPO for a product is accepted), a final price of the product is still not yet finalized and will be determined to be either a default price or an override price at the end of a period of time. The final sale price is defined by the accepted CPO in Walker, which is accepted before the product is conveyed to the customer.

Each of the independent claims have been amended herein to recite the above-discussed features. Each of the pending dependent claims thus include the above-discussed features by virtue of being dependent from one of the amended independent claims. Accordingly, Applicants respectfully submit that each of the pending dependent claims is patentable at least for the same reasons as the independent claims.

Because Walker does not disclose each of the claimed features, Applicants respectfully request that the §102(b) rejection be withdrawn.

## 5. Claim Rejections – Section 103

### 5(a). Claims 4, 6 – 11 and 29

Claims 4, 6 – 11 and 29 stand rejected under 35 U.S.C. §103(a) as being unpatentable over Walker in view of U.S. Patent No. 5,642,279 to Bloomberg et al. (“Bloomberg” herein) and U.S. Patent No. 6,038,554 to Vig (“Vig” herein).

Claims 6 – 11 have been cancelled herein. Accordingly, the rejection of these claims is now moot. Claims 6 – 11 have been cancelled because they address different embodiments than those currently being claimed in the independent claims as amended and not for reasons related to patentability.

Each of claims 4 and 29 are dependent from an independent claim that is patentable for the reasons set forth above in section 4. Neither Bloomberg nor Vig disclose the patentable features discussed above in section 4. Accordingly, Applicants respectfully submit that each of claims 4 and 29 are patentable at least for the same reasons as claim 1 (from which claim 4 is dependent) and claim 26 (from which claim 29 is dependent).

Official Notice

Regarding claim 29, Examiner takes Official Notice “that the use of product markers would have been obvious to one of ordinary skill in the art in order to facilitate sales.” Current Office Action, page 5. Applicants respectfully submit that this is not a proper use of Official Notice.

“Official notice unsupported by documentary evidence should only be taken by the examiner where the facts asserted to be well-known, or to be common knowledge in the art are capable of instant and unquestionable demonstration as being well-known. As noted by the court in *In re Ahlert*, 424 F.2d 1088, 1091, 165 USPQ 418, 420 (CCPA 1970), the notice of facts beyond the record which may be taken by the examiner must be “capable of such instant and unquestionable demonstration as to defy dispute” (citing *In re Knapp Monarch Co.*, 296 F.2d 230, 132 USPQ 6 (CCPA 1961)).” MPEP 2144.03. For example, it may be appropriate to take Official Notice of a fact that is well-known in the art and capable of instant and unquestionable demonstration. Taking Official Notice that it would have been obvious to make modify a reference in a specified manner is not a proper use of this examination tool.

Motivation to Combine

Applicants further traverse the §103 rejection of claims 4 and 29 on the grounds that the statements of a motivation to combine the references as provided by Examiner are insufficient to satisfy the initial burden of establishing a *prima facie* case of obviousness.

Regarding claim 29, Examiner states that “it would have been obvious to one of ordinary skill in the art...to modify the Walker et al. system to incorporate the use of product markers *in order to facilitate sales*.” Current Office Action, page 5, emphasis added.

Regarding claim 4, Examiner states that “it would have been obvious...to modify the Walker et al. system to incorporate a time limit before final sale *in order to bring closure to the transaction* and incorporate the arbiter use and compare competing producer pricing in order to establish the best prices available *so that a fair decision may be obtained*.” Current Office Action, page 5, emphasis added.

“The teaching or suggestion to make the claimed combination and the reasonable expectation of success must both be found in the prior art, and not based on applicant's disclosure. *In re Vaeck*, 947 F.2d 488, 20 USPQ2d 1438 (Fed. Cir. 1991).

‘To support the conclusion that the claimed invention is directed to obvious subject matter, either the references must expressly or impliedly suggest the claimed invention or the examiner must present a convincing line of reasoning as to why the artisan would have found the claimed invention to have been obvious in light of the teachings of the references.’ *Ex parte Clapp*, 227 USPQ 972, 973 (Bd. Pat. App. & Inter. 1985).” MPEP 2142.

The motivations to combine provided by Examiner are not motivations found in the references themselves but are merely a conclusory statements of desirable result that may be achieved by combining the references as suggested. Such a statement is insufficient to establish a *prima facie* case of obviousness. See, for example, the following excerpt from a Board of Appeals opinion:

“The examiner’s position can be stated basically to be that the modification of [the prior art reference] necessary to arrive at the claimed invention would have been obvious to the artisan because it would improve efficiency, performance, and reliability of the [prior art reference method]. While this result indicated by the examiner is undoubtedly correct, it is not a valid basis for the rejection of a claim. It explains more why appellant wishes to patent such a process. Since most inventions are designed to improve efficiency, performance or reliability, the examiner’s analysis would make it very difficult to patent anything.” (Ex Parte Bowen, Appeal No. 96 – 1349).

5(b). Claim 29

Claim 29 stands rejected under 35 U.S.C. §103(a) as being unpatentable over Walker in view of Bloomberg, Vig and U.S. Patent No. 5,637,846 to Boers et al. (“Boers” herein).

Claim 29 is dependent from claim 26 and is thus patentable at least for the same reasons as discussed with respect to claim 26.

Further, Applicants are unsure at to which particular references Examiner is relying on in rejection claim 29, since claim 29 stands rejected (i) over Walker in view of Bloomberg and Vig, as well as (ii) over Walker, in view of Bloomberg, Vig, and Boers. If the rejection of claim 29 is maintained, Applicants respectfully request clarification on this point.

Further still, Applicants respectfully submit that the statement of a motivation to modify Walker in the manner suggested with respect to claim 29 (“in order to better label a customized product which facilitates sales”, Current Office Action, page 7) is improper for the same reasons as discussed in section 5(a) above. Accordingly, Applicants respectfully submit that a prima facie case of obviousness for claim 29 has not been established with respect to this rejection thereof.

**Conclusion**

For the foregoing reasons it is submitted that all of the claims are now in condition for allowance and the Examiner's early re-examination and reconsideration are respectfully requested.

Alternatively, if there remains any question regarding the present application or any of the cited references, or if the Examiner has any further suggestions for expediting allowance of the present application, the Examiner is cordially requested to contact Magdalena M. Fincham at telephone number 203-461-7041 or via electronic mail at [mfincham@walkerdigital.com](mailto:mfincham@walkerdigital.com).

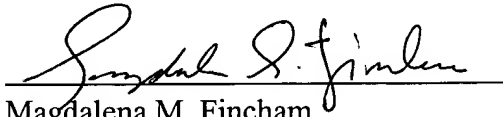
**Petition for Extension of Time to Respond**

Applicants hereby petition for a **two-month** extension of time with which to respond to the Office Action. Please charge **\$210.00** for this petition to our Deposit Account No. 50-0271. Please charge any additional fees that may be required for this Response, or credit any overpayment to Deposit Account No. 50-0271.

If an additional extension of time is required in addition to that requested in a petition for an extension of time, please grant a petition for that extension of time which is required to make this Response timely, and please charge any fee for such extension to Deposit Account No. 50-0271.

Respectfully submitted,

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Date

  
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